

# EXHIBIT 3

# Hedge Fund Trader, Accused of Fraud, Is Extradited to Denmark

Sanjay Shah had been pursued by Danish authorities, who said he was behind a scheme to steal \$1.3 billion from the national coffers.

By David Segal

Dec. 6, 2023

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A British hedge-fund trader accused of defrauding Danish taxpayers of \$1.3 billion has been extradited to Denmark by the United Arab Emirates, where he had lived for more than a decade.

The trader, Sanjay Shah, was taken into police custody on Wednesday morning after his arrival in Copenhagen and is expected to appear in court on Thursday for a bail hearing.

Danish authorities have been pursuing Mr. Shah since learning that starting in 2012, they said, he and colleagues at Solo Capital in London had found a way to siphon money from the country's version of the Internal Revenue Service. The method involved a complicated, carefully choreographed trade of tax refunds on stock dividends. Mr. Shah has long maintained his innocence.

These so-called cum-ex trades had been used by other traders to drain fortunes from other countries in what one academic called "the biggest tax theft in the history of Europe." The toll has become clear in a continuing reckoning of arrests

and trials on the continent. Germany was taken for about \$30 billion, France lost about \$17 billion, and smaller sums were lifted from Poland, Norway, Austria, Italy and others.

These countries did little to warn others about cum-ex trades. Denmark was one of the last countries hit, and it has spent years trying to cajole and negotiate with the U.A.E. for Mr. Shah's extradition.

"The dividend case is an important one for Denmark, and it is one of the largest and most serious criminal fraud cases," said Peter Hummelgaard, the country's minister of justice. "It is our public money, our welfare state and our trust-based society that are at stake."

Mr. Shah has said he merely took advantage of a loophole, one that lawyers advised him was completely legitimate. His publicist, Jack Irvine, said that, without admitting guilt, Mr. Shah had made an offer to settle the matter years ago, but it was dismissed out of hand.

"Mr. Shah appears to have been found guilty by the Danish government, legal authorities and media in advance of a trial," Mr. Irvine wrote in a statement. "We need to ask, can he possibly receive a fair trial?"

Mr. Shah moved to Dubai in 2009, saying he fell in love with the city. He lived for a time in a 10,000-square-foot villa with access to the beach and a \$1.3 million yacht.

As Danish prosecutors painted him as a national villain, authorities in Britain, the U.A.E. and Germany started freezing his assets, and Mr. Shah was eventually forced to put his house on the market, Mr. Irvine said. For years, he did not travel out of fear that he would be arrested.

Under pressure from Danish investigators, Mr. Shah was arrested in the U.A.E. in May 2022. It took months for the countries to sign an extradition agreement so that Mr. Shah could be sent to Denmark to stand trial.

The case will be one of many in the ongoing cum-ex aftermath. Danish authorities have filed a lawsuit in London targeting dozens of financial institutions, seeking to reclaim some \$1.7 billion in lost tax revenue.

And in Germany, more than 1,000 lawyers and financiers are under investigation and several have already been convicted and fined for similar offenses. In May, a former tax investigator, Hanno Berger, the putative mastermind of cum-ex trades in Germany, was sentenced to eight years in prison. He had been extradited from Sweden, where he had lived since 2012.

**David Segal** is a Business section reporter based in New York City. More about David Segal

A version of this article appears in print on , Section B, Page 6 of the New York edition with the headline: Accused of Fraud, Trader Is Extradited to Denmark